



CITY OF DALLAS

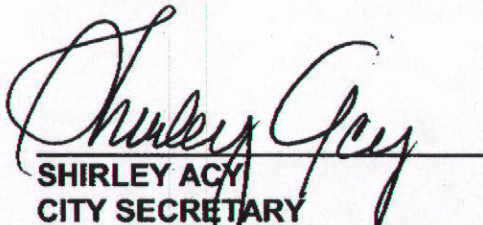
STATE OF TEXAS           §  
COUNTY OF DALLAS       §  
CITY OF DALLAS           §

I, **SHIRLEY ACY**, City Secretary, of the City of Dallas, Texas, do hereby certify that the attached are true and correct copies of documents

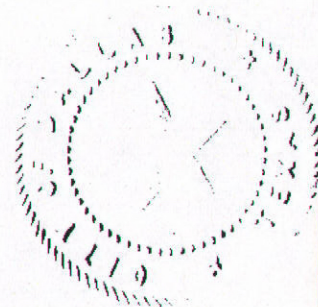
**FILE NO. 05-0661**

filed in my office as official records of the City of Dallas, and that I have custody and control of said records.

WITNESS MY HAND AND THE SEAL OF THE CITY OF DALLAS, TEXAS, this the 22<sup>ND</sup> day of **AUGUST, 2005**.

  
**SHIRLEY ACY**  
**CITY SECRETARY**  
**CITY OF DALLAS, TEXAS**

PREPARED BY DARLENE GARMON  
CERTIFICATION ITEM NO. 10



**GOVERNMENT  
EXHIBIT  
1551  
3:07-CR-0289-M**

**COD\_CSO 0002340**

**OFFICIAL ACTION OF THE DALLAS CITY COUNCIL**

**February 23, 2005**

**05-0661**

**Item 19: Authorize a Residential Development Acquisition Loan Program loan to Kiest Blvd., LP, for the acquisition of a 37.1 acres of land located at 3200 E. Kiest - Not to exceed \$150,000 - Financing: 2002-03 Community Development Grant Funds**

**Approved as part of the consent agenda.**

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**COD\_CSO 0002341**

**OFFICE OF THE CITY SECRETARY**

**CITY OF DALLAS, TEXAS**

February 23, 2005

**WHEREAS**, the City of Dallas seeks to increase the supply of new affordable housing for low and moderate income and working individuals and families in order to attract and retain economic growth; and

**WHEREAS**, on June 26, 2002, by Resolution 02-1980, the City Council adopted the FY 2002-03 Consolidated Plan Budget which included \$1,000,000 in Community Development Block Grant (CDBG) funds for single-family development; and

**WHEREAS**, on September 24, 2003, City Council Resolution No. 03-2552, authorized (1) the use of \$1,000,000 in funds, for the acquisition of real property for single-family and multi-family developments, (2) a Program Statement for the Residential Development Acquisition Loan Program (RDALP), and (3) implementation of the RDALP, and

**WHEREAS**, on April 28, 2004, City Council Resolution No. 04-1449 authorized amendments to the Program Statement for the RDALP to: 1) allow an open application policy for acceptance of unsolicited applications on an on-going basis in addition to the ability to use a Request For Applications, 2) allow for acquisition of vacant property for new multifamily construction, rehabilitation of existing multifamily complexes in addition to the acquisition for demolition and reconstruction currently authorized; and 3) remove the limitation on the resale of single-family lots in the Neighborhood Investment Program areas that currently requires these lots to be sold only to developers who have also acquired single-family lots in these areas through the City of Dallas Land Bank Program;

**WHEREAS**, on August 25, 2004, City Council Resolution No. 04-2436 authorized an amendment to the Program Statement for the Residential Development Acquisition Loan Program to provide for subordination of City loans to private lender loans for acquisition, interim construction and permanent financing; and

**WHEREAS**, on October 27, 2004, City Council Resolution No. 04-3098 authorized amendments to the Program Statement for the Residential Development Acquisition Loan Program to provide for 1) acquisition of unimproved and improved single family lots city-wide; 2) demolition costs associated with the acquisition of improved single-family lots; and 3) relocation payments associated with the acquisition as may be required under Chapter 39A of the Dallas City Code or the Uniform Relocation Act.; and

**WHEREAS**, on November 10, 2004, City Council Resolution No. 04-3193 authorized an amendment to the Program Statement for the Residential Development Acquisition Loan Program to approve a policy prohibiting the placement of industrial housing on properties sold by the City or its Land Bank; and

COD\_CSO 0002342

APPROVED \_\_\_\_\_  
HEAD OF DEPARTMENTAPPROVED \_\_\_\_\_  
CITY CONTROLLERAPPROVED \_\_\_\_\_  
CITY MANAGER



February 23, 2005

**WHEREAS**, on January 12, 2005, City Council Resolution No. 05-0169 the City Council of amended the Program Statement for the Residential Development Acquisition Loan Program to allow for acquisition of improved and unimproved properties city-wide; and

**WHEREAS**, The City Council desires to authorize a \$150,000 contract with Kiest Blvd., LP, for the acquisition of 37.1 acres of land located at 3200 E. Kiest; **NOW THEREFORE**,

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:**

**Section 1.** That the City Manager, upon approval as to form by the City Attorney, is authorized to execute loan documents with Kiest Blvd. LP I an amount not to exceed \$150,000 of Community Development Block Grant funds to fund for the acquisition of 3200 E. Kiest Blvd, a 37.1 acre parcel, for the development of 201 housing units. The term of the acquisition loan shall be for ten (10) years at a one (1) percent interest rate. The loan assistance will be in the form of a deferred payment loan forgiven over a period of ten (10) years, at one tenth per year, as long as the loan is in good standing and meets the affordability requirements.

**Section 2.** That the City Controller be authorized to disburse funds in accordance with this Resolution and the Program Statement for the Residential Development Acquisition Loan Program as follows:

<u>DEVELOPMENT INVESTMENT</u>			<u>VENDOR - 518124</u>		
<u>FUND</u>	<u>AGCY</u>	<u>ORG</u>	<u>OBJ</u>	<u>PD</u>	<u>AMOUNT</u>
CD02	HOU	2346	3099	HOU2346D042	\$150,000

**Section 3.** That this resolution shall take effect immediately from and after its passage in accordance with the charter of the City of Dallas, and it is accordingly so resolution.

**DISTRIBUTION:**

Housing Department  
City Attorney's Office  
Office of Financial Services/Community Development, 4FN

APPROVED BY  
CITY COUNCIL

FEB 23 2005

*Barry Grey*  
City Secretary

COD\_CSO 0002343

APPROVED *[Signature]*  
HEAD OF DEPARTMENT

APPROVED *[Signature]*  
CITY CONTROLLER

APPROVED *[Signature]*  
CITY MANAGER

**CATEGORY: LAND ACQUISITION**

**AGENDA DATE:** February 23, 2005  
**COUNCIL DISTRICT(S):** 7  
**DEPARTMENT:** Housing  
**CMO:** *RSE* Ryan S. Evans, 670-3314  
**MAPSCO:** 55M

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**SUBJECT**

Authorize a Residential Development Acquisition Loan Program loan to Kiest Blvd., LP, for the acquisition of a 37.1 acres of land located at 3200 E. Kiest - Not to exceed \$150,000 - Financing: 2002-03 Community Development Grant Funds

**BACKGROUND**

In September 2003, City Council authorized \$1,000,000 in funds for the Residential Development Acquisition Loan Program (RDALP) for the acquisition of real property for single-family and multi-family developments. The RDALP provides funding for the acquisition of improved and unimproved parcels, single-family lots city-wide, purchase of single-family lots for resale in conjunction with the Land Bank and Neighborhood Investment Program (NIP) areas and to provide subordinate loan financing for acquisition costs and certain soft costs for affordable single-family and multifamily developments. The RDALP also covers demolition costs associated with the acquisition of improved single-family lots; and relocation payments associated with the acquisition as may be required under Chapter 39A of the Dallas City Code or the Uniform Relocation Act.

On August 25, 2004, the City Council authorized the subordination of City loans to private lender loans for acquisition, interim construction and permanent financing.

On November 10, 2004, the City Council authorized an amendment to the Program Statement of the RDALP approving a policy prohibiting the placement of industrial housing on properties sold by the City or its Land Bank.

On July 2, 2004, the Housing Department issued and Request for Application (RFA), to solicit proposals from developers to build street and alley infrastructure improvements, including incidental drainage improvements, for new low to moderate-income single-family subdivisions to be funded by the City's FY2003 General Obligation Bond (GOB) program.

**BACKGROUND (continued)**

Kiest Blvd, LP, applied for bond infrastructure funding for the development of Cedar Crest Square, a 203 lot development on a 37.1 acre parcel of land located at 3200 E. Kiest Blvd. at Southerland Blvd. The single-family development will provide 101 affordable homes for homebuyers at or below 80% of the Area Family Median Income (AMFI), adjusted for family size. The proposed project will include 128 Townhomes, priced from \$90,000 to \$120,000, 75 single-family homes from \$120,000 to \$160,000 and four (4) acres of retail/office/commercial space.

On January 6, 2005, the Single-Family Infrastructure Review Committee recommended to fund the Cedar Crest Square development and the Housing and Neighborhood Development Committee concurred with the recommendation on January 18, 2005. The HNDC recommended \$883,250 in funding from the GOB program for the infrastructure development and \$150,000 from the Residential Development Acquisition Loan Program (RDALP) to provide gap funding for the acquisition of the 37.1-acre parcel. The 37.1-acre, inner-city property sales price is \$2,500,000 or approximately \$67,400 per acre.

Funding approved for this project will result in the City's equity investment being passed on to eligible homebuyers through a reduction in the sale price of the home, which is equal to the amount of funding authorized for the project. The term of the acquisition loan shall be for ten (10) years at a one (1) percent interest rate. The loan assistance will be in the form of a deferred payment loan forgiven over a period of ten (10) years, at one tenth per year, as long as the loan is in good standing and meets the affordability requirements.

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On June 26, 2002, authorized the 2002-03 Consolidated Plan Budget appropriating \$1,000,000 in Community Development Block Grant (CDBG) funds for single-family development by Resolution No. 02-1980.

On September 4, 2002, the Affordable Workforce Housing Task Force briefed the City Council on its final report and recommendations, including provision of loans and grants for single-family development.

On September 2, 2003, the Housing and Neighborhood Development Committee was briefed on details of the use of \$1,000,000 in CDBG funds for acquisition of real property for single-family and multi-family development in a CDBG Residential Development Acquisition Loan Program.

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**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS) (continued)**

On September 24, 2003, authorized (1) the use of \$1,000,000 in funds, for the acquisition of real property for single-family and multi-family developments, (2) a Program Statement for the Residential Development Acquisition Loan Program (RDALP), and (3) implementation of the RDALP by Resolution No. 03-2552.

On March 29, 2004, the Housing and Neighborhood Development Committee was briefed on (1) recommended changes to the Program Statement for the RDALP and (2) the proposed use of loan funds to St. Philip's Neighborhood Development Corporation for the acquisition of 1320 Pennsylvania.

On April 28, 2004, authorized amendments to the Program Statement for the Residential Development Acquisition Loan Program by Resolution No. 04-1449 .

On August 25, 2004, authorized an amendment to the Program Statement for the Residential Development Acquisition Loan Program by Resolution No. 04-2436.

On October 27, 2004, authorized an amendment to the Program Statement for the Residential Development Acquisition Loan Program by Resolution No. 04-3098.

On November 10, 2004, authorized an amendment to the Program Statement of the RDALP approving a policy prohibiting the placement of industrial housing on properties sold by the City or its Land Bank by Resolution No. 04-3193.

On January 12, 2005, authorized the acquisition of improved and unimproved properties and demolition of improved properties Resolution No. 05-0169.

On January 18, 2005, the Housing and Neighborhood development recommended approval of the Cedar Crest Square project including a \$150,000 loan under the RDALP.

**FISCAL INFORMATION**

2002-03 Community Development Grant Funds - \$150,000

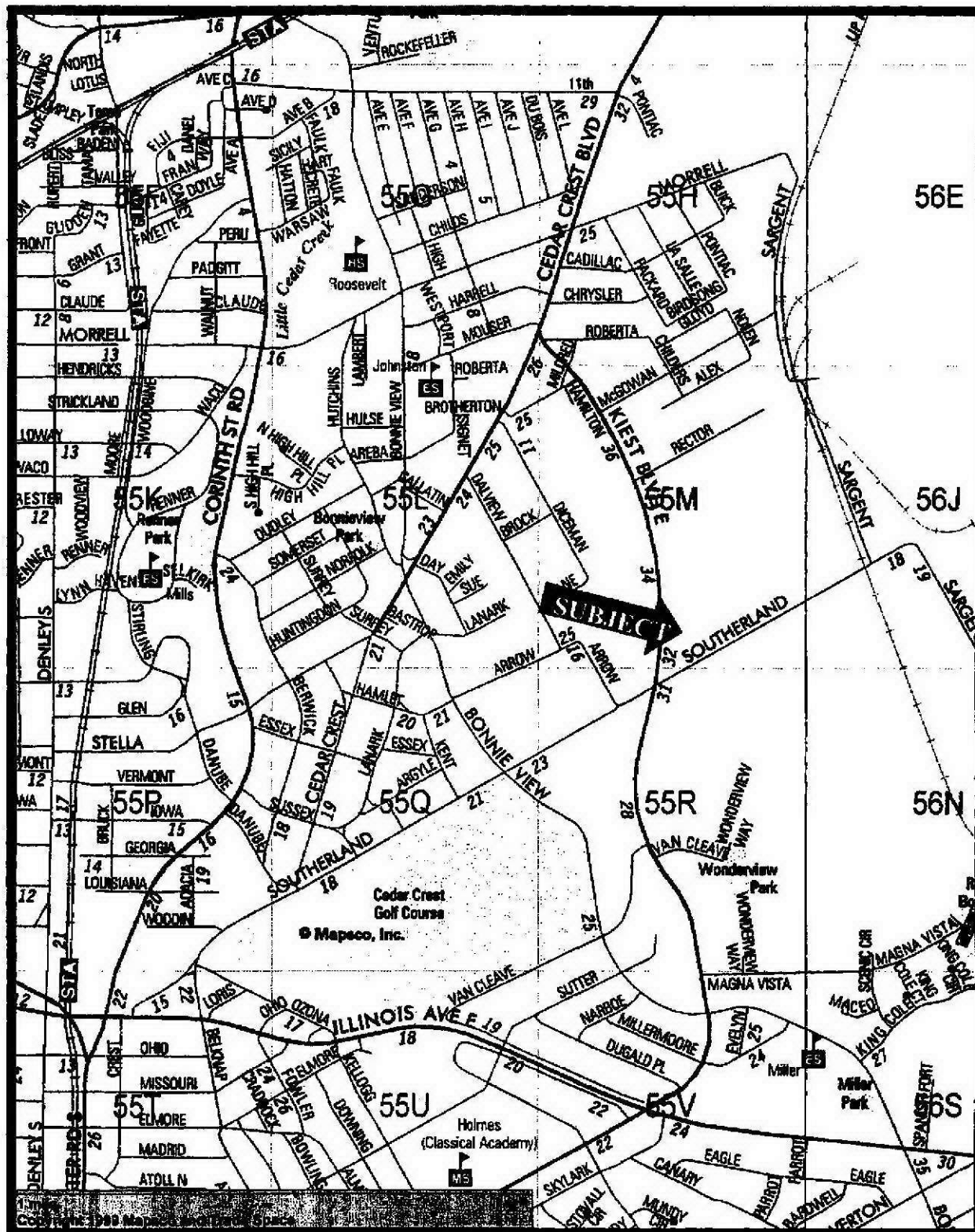
**MAP**

Attached

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050661



MAPSCO 55M

COD\_CSO 0002347